

III. REMARKS

Claims 1-20 are pending in this application. Claim 1 has been amended. Applicants do not acquiesce in the correctness of the rejections and reserve the right to present specific arguments regarding any rejected claims not specifically addressed. Further, Applicants reserve the right to pursue the full scope of the subject matter of the original claims in a subsequent patent application that claims priority to the instant application. Reconsideration in view of the following remarks is respectfully requested.

In the Office Action, claims 1-20 have been rejected under 35 U.S.C. § 101 as the claims are allegedly directed to non-statutory subject matter. The Office alleges claims 1-20 recite a method. First, it is noted that claims 12-15 are directed to a system for managing inventory and claims 16-20 are directed to a computer program product. In fact, Fig. 1 shows the system and it is described clearly in the specification. Moreover, on page 27, line 19 it is stated that the invention can be embedded in a computer program product. Claim 1 has been amended to include the phraseology of “the steps executable by a computer”. Thus, claims 1-20 are tied to a statutory class. It is requested that the rejection under this section be withdrawn.

Claims 1-20 have been rejected under 35 U.S.C. § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which Applicants regard as the invention. After issuing two Office Actions and considering Applicants’ Pre Appeal Brief Request, the Office now finds the terminology “determining an excess inventory with consideration of a manufacturing limitation and an excess inventory without consideration of the manufacturing limitation for each analysis point” unclear. Specifically, the Office states it is unclear as to what a consideration is to determine an excess inventory. Applicants submit that the

claim language is clear; “Excess inventory” is an amount of inventory that exceeds consumer requirements at a specific time (page 7, paragraph [38]) and the consideration is a manufacturing limitation. “Manufacturing limitation” is any limitation that delays the manufacturing of an inventory, e.g., governmental restraint and manufacturing capacity (page 7, paragraph [43]). The Office states it is further unclear as to whether the consideration occurs before or after the excess inventory is determined. Since excess inventory is for a specific time (See definition above), it is clear that excess inventory is determined at a specific time with and without the manufacturing consideration. This produces information that allows one to calculate trapped inventory and to determine the correct policy. Applicants believe this language is clear and request withdrawal of this rejection.

In the Office Action, claims 1-20 has been rejected under 35 U.S.C. §103(a) as allegedly being unpatentable by Kurihara et al. (U.S. Pub. 2003/0171963), hereinafter “Kurihara”.

Applicants respectfully traverse this rejection for the reasons stated below.

Specifically, with respect to independent claims 1, 12 and 16, the Office admits Kurihara does not disclose, “determining an excess inventory with consideration of a manufacturing limitation and an excess inventory without consideration of the manufacturing limitation for each analysis point[.]” (Claim 1, similarly in claims 12 and 16). The Office alleges Fig. 3, Step 7, Fig. 3, Step 8 and paragraph [0028] teach this element. Applicants contend this conclusion is not supported as paragraph [0028] expressly describes determining predicted product inventory amount minus product inventory target values. Fig. 3, step 7 is described as “Product Production regulation Information Database” and Fig. 3, Step 8 is described as Integration of Desired

Products, Amounts, Times of Delivery. Never does Kurihara disclose consideration of manufacturing limitations and the Office's assertions are not supported.

In addition, Kurihara does not disclose, *inter alia*, “determining a trapped inventory based on a difference between the excess inventory with consideration of the manufacturing limitation and the excess inventory without consideration of the manufacturing limitation[.]” (Claim 1, similarly in claims 12 and 16). The Office points to paragraphs [0184-0191] which “discusses a predicted product inventory amount, product inventory target value, where production of product type C, and during periodic inspections, production of product type C will not be possible; hence there is a need to stockpile the anticipated demand amount during this period as product inventory, and so from the current step, “warehousing 125 tons of product type C by such-and-such date is desired” (4) is input”. This section of Kurihara concerns stockpiling product C in anticipation of a demand for product C. It does not, as the Office alleges, allow one to determine trapped inventory based on a difference between the excess inventory with consideration of the manufacturing limitation and without consideration of the manufacturing limitation. The instant invention is not concerned with anticipated demand. Kurihara is dealing with demand for goods that will “probably be received” (paragraph [0190]). Probable demand is not a consideration in Applicants' invention. Thus, the Office has not provided support for the allegation that Kurihara teaches “determining a trapped inventory based on a difference between the excess inventory with consideration of the manufacturing limitation and the excess inventory without consideration of the manufacturing limitation”. Therefore, the obviousness rejection is not supported and should be removed.

In view of the foregoing, Kurihara does not render obvious the claimed subject matter. The dependent claims are believed allowable for the same reasons stated above, as well as for their own additional features. Accordingly, Applicants respectfully request withdrawal of the rejection.

In light of the above, Applicants respectfully submit that all claims are in condition for allowance. Should the Examiner require anything further to place the application in better condition for allowance, the Examiner is invited to contact Applicants' undersigned representative at the number listed below.

Respectfully submitted,

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